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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

SAFE

FROM:

Harry E. Fitzwater
Deputy Director for Administration
7D 24 Hqs

EXTENSION

NO.

DDA 82-0538/10

DATE

13 April 1982

STAT

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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SA/DCI/IA

2. 7D 60 Hqs

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Attached is the MFR which should provide the DCI with enough information for his meeting with [redacted] on Wednesday, 14 April.

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DDA 82-0538/10

13 April 1982

MEMORANDUM FOR THE RECORD

FROM: Harry E. Fitzwater
Deputy Director for Administration

SUBJECT: SAFE

1. Current Status: The joint CIA/DIA audit team has completed its review of the SAFE Project and they gave the DDCI, the DD/DIA and the members of the SAFE Steering Committee a briefing on the results on Thursday, 8 April. They reported that the development process has been marked by management problems on the part of both the Government and the prime contractor [redacted], and by serious design errors made early in the program, with lasting deleterious effects. They predicted major cost overruns (more than 100%) and a two-year schedule slippage. They have recommended substantial modification of the program to adopt a more modular and incremental approach, to take full advantage of existing software packages, to develop a hardware intensive system vice software, and to develop the CIA and DIA systems in parallel. The DDCI deferred any decision on the recommendations until technical issues have been resolved and cost and schedule information can be developed. Work to obtain such information is under way.

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2. Background: Difficulties with the SAFE development effort began to emerge during 1981. It became apparent that the initial design was seriously flawed, and the Consolidated SAFE Project Office (CSPO) pressed the contractor for corrective action. Management changes were made which seemed appropriate, and suggestions for an audit were put off until we could see the results of the Preliminary Design Review (PDR) for the first block of service, scheduled for November and finally completed in January. The PDR revealed sufficient continuing problems to cause management to undertake an independent audit, which was formally requested by the DDCI and the DD/DIA in late February.

A team made up of eight officers, four from each Agency, spent the month of March reviewing the project in great depth. They concluded that the path originally selected for the project had been the wrong one. As they put it, "we are developing the wrong system." The principal recommendations of the audit team have been outlined above.

A new Government manager has been put in charge of the Consolidated SAFE Project Office (matching a similar step by [redacted] to replace their project manager) and the contractor has been asked to review several alternate courses of action designed to reduce the risk associated with this extraordinarily difficult task and to increase management's confidence that a meaningful set of analyst services can be delivered within a reasonable time frame and at acceptable cost. A Senior Technical Advisory Board has been established to provide advice on possible redirection of the program. Once we have these proposals we will again brief the Steering Committee. With an agreed-upon project plan established, at least in outline form, we then propose to brief the staffs of the two Permanent Select Committees, both of which have evidenced great interest in the status of the project.

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[redacted]
Harry E. Fitzwater

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